

***Congresswoman encourages organizations to file a yearly tax return or “e-postcard” by Monday***

□

**Washington, DC** –Rep. Linda Sánchez reminded local tax-exempt organizations to file a tax return by Monday, May 17, 2010 in order to avoid losing their tax-exempt status.

Approximately 18,000 California nonprofits haven't done it yet.

**“I know that nonprofit organizations value their tax-exempt status so I want to remind them that they may need to file an annual return by May 17 to avoid losing that status,”** said Rep. Linda Sánchez.

**“This requirement has changed in order to better understand how many organizations exist.**

□

**Whether your organization has a budget in the millions or in the thousands, you are required to fill out an annual form to the IRS.”**

The Pension Protection Act of 2006 stated that most tax-exempt organizations, other than churches or other houses of worship, must file a yearly return or notice with the IRS. If an organization has not filed an annual return in the past three years (even those with gross receipts normally under \$25,000), the law provides that it automatically loses its tax-exempt status.

Loss of exempt status means an organization must file income tax returns and pay income tax, and its contributors will not be able to deduct their donations. Organizations will have to file all over again for recognition as tax-exempt with the IRS.

**The website below that contains a searchable database of those local community non-profits who are at risk of losing their non-profit status MONDAY, MAY 17, unless they file their required forms.** ☐☐ Some non-profits may have a later deadline however, all organizations should take notice of the new law as soon as possible.

<http://nccsdataweb.urban.org/PubApps/statePicker.php?prog=epostcard&display=state>

The smallest nonprofits (those with gross receipts normally under \$25,000) only need to fill out Form 990-N, also known as the e-Postcard. Completing the e-Postcard requires just the eight items listed below:

1. [Employer identification number](#) (EIN), also known as a Taxpayer Identification Number (TIN)).
2. [Tax year](#)

3. Legal name and mailing address
4. Any other names the organization uses
5. Name and address of a principal officer
6. Web site address if the organization has one
7. Confirmation that the organization's annual [gross receipts](#) are [normally \\$25,000 or less](#)
8. If applicable, a statement that the organization has terminated or is terminating (going out of business)

The IRS has detailed information on who needs to file, as well as Frequently Asked Questions and fact sheets that you can share with groups in your district. [Links to More Information from the IRS:](#)

More info: <http://www.irs.gov/charities/article/0,,id=217087,00.html>

Link to FAQ on the issue: <http://www.irs.gov/charities/article/0,,id=221600,00.html>

The 8 questions: <http://www.irs.gov/charities/article/0,,id=218162,00.html>

You can also find more information from the National Council of Nonprofits on their homepage at [www.councilofnonprofits.org](http://www.councilofnonprofits.org) , or find your State Association at [www.councilofnonprofits.org/salocator](http://www.councilofnonprofits.org/salocator) to get more local information.